

## **CITY OF FRANKLIN**

### **COMMUNITY DEVELOPMENT AUTHORITY**

In July 1992, the City of Franklin adopted Resolution 92-3830 establishing a Community Development Authority (CDA) under Sections 66.4325 and 66.431 of the Wisconsin Statutes. The CDA is to act as agent of the City (i) in planning and carrying out any community development programs and activities approved by the Mayor and Common Council, and (ii) to perform all acts, except the development of the general plan of the City, which may be performed by the City Plan Commission.

The powers of the CDA, under the Community Development Authority Law, include its power to issue revenue bonds to provide financing for qualified redevelopment projects to be constructed by private developers, including by way of illustration but not limitation the following public benefits: the elimination or prevention of substandard, deteriorated, unsanitary, and blighted areas; the provision and retention of gainful employment opportunities for the citizens of the City; increase in the City's tax base; and the stimulation of the flow of investment capital into the City with resultant beneficial effects upon the economy in the City.

#### **PROGRAM DESCRIPTION:**

The mission of the Franklin CDA is to provide for the administration of applicable laws within Planned District Development (PDD) #18 including the review and approval of land use and of sites and building plans.

#### **SERVICES:**

- Under the "Act" the CDA is authorized to issue revenue bonds, to finance projects of the character of the Franklin Business Park (FBP), to accept contributions of property, and to lease and/or sell such property.
- Under a Development Agreement with MLG Development that the CDA has entered into originally in July, 1993 and continuous through a Fourth Amendment dated June, 1997, the CDA also with MLG is doing what it can to increase the values of properties located in TIF District 2 (Franklin Business Park) as soon as possible; and the CDA, along with the City and MLG, cooperate with each other in the marketing of land in the FBP to prospective tenants of the FBP.

#### **BUDGET SUMMARY:**

The CDA operates through a Capital Expenditure Fund and a Debt Service Fund. The tax levy generated by the increase in assessed value in the Business Park (TIF District) is the main source of revenue for the CDA. Land sales provide additional revenue support. 2002 was the last year in which the CDA may incur development expenses through its Capital Expenditure Fund. Debt service maturities extend until the year 2013, however, an outside consultant has projected that there may be enough revenue collected to retire all debt by 2011.

**City of Franklin**  
**TIF Lease Revenue Debt Maturities**

Borrow Date	Purpose of borrowing, amount, interest rate	Payment Dates	Balance 12/31/2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>TIF #2 DEBT:</b>													
5/1/1993	M&I First National Series 1993-B Capital improvements \$14,355,000 *												
	PRINCIPAL	4/1	1,800,000	900,000	900,000								
	INTEREST	4/1, 10/1		74,250	24,975								
	* 11.5 million defeased												
7/1/1998	M&I First National Series 1998-A Capital improvements \$5,275,000												
	PRINCIPAL	4/1	5,275,000	0	920,000	980,000	1,055,000	1,120,000	1,200,000				
	INTEREST	4/1, 10/1		359,260	328,670	265,250	196,550	122,040	41,700				
7/1/1998	M&I First National Series 1998-B Capital improvements \$18,145,000												
	PRINCIPAL	4/1	16,495,000	400,000	420,000	1,335,000	1,695,000	1,700,000	,710,000	1,715,000	1,870,000	1,875,000	1,880,000
	INTEREST	4/1, 10/1		789,658	771,408	731,586	662,230	583,295	502,733	420,960	333,945	241,255	146,480
<hr/>													
Population		Per Capita											
30,749	TIF No. 2 Debt Total	767	\$23,570,000	\$22,270,000	\$20,030,000	\$17,715,000	\$14,965,000	\$12,145,000	\$9,235,000	\$7,520,000	\$5,650,000	\$3,775,000	\$1,895,000
<hr/>													
	Annual Debt Repayment	82		\$2,523,168	\$3,365,053	\$3,311,836	\$3,608,780	\$3,525,335	\$3,454,433	\$2,135,960	\$2,203,945	\$2,116,255	\$2,026,480
<hr/>													